Delta Dental Colorado Adult Medicaid Program Cost Analysis and Projections As of August 16, 2013

## **Total Risk with Corridor**

**Base Assumptions** 

Eligible Participants:	304,000
Participation Rate:	27%
Average Annual Cost per Patient	\$ 600
Base Annual Claims Cost:	\$ 49,248,000

Note: Negative rep	resents			k Share - Margina	al C	orridor Model				
Corridor #	orridor # Lower Bound		Upper Bound		HCPF Share		Carrier Share			
+3	\$	7,500,000	\$	10,000,000		100%		0%		
+2	\$	5,000,001	\$	7,500,000		90%		10%		
+1	\$	2,500,001	\$	5,000,000		50%		50%		
0	\$	(2,500,000)	\$	2,500,000		0%		100%		
-1	\$	(2,500,001)	\$	(5,000,000)		50%		50%		
-2	\$	(5,000,001)	\$	(7,500,000)		90%		10%		
-3	\$	(7,500,001)	\$	(10,000,000)		100%		0%		
				Example 1		Example 2		Example 3		Example 4
Actual Claims Cost:		\$	45,000,000	\$	40,000,000	\$	56,000,000	\$	61,000,000	
Savings (Costs) from Base:		\$	4,248,000	\$	9,248,000	\$	(6,752,000)	\$	(11,752,000	
Corridor # +3:			\$	-	\$	1,748,000	\$	-	\$	-
Corridor # +2:			\$	-	\$	2,500,000	\$	-	\$	_
Corridor # +1:			\$	1,748,000	\$	2,500,000	\$	-	\$	_
Corridor # 0:			\$	2,500,000	\$	2,500,000	\$	(2,500,000)	\$	(2,500,000
Corridor # -1:			\$	-	\$	· · · · -	\$	(2,500,000)	\$	(2,500,000
Corridor # -2:			\$ \$ \$	-	\$	-	\$	(1,752,000)		(2,500,000
Corridor # -3:		\$	-	\$	-	\$	-	\$	(4,252,000	
		•	\$	4,248,000	\$	9,248,000	\$	(6,752,000)	\$	(11,752,000
Savings (Costs)	to HC	PF:	\$	874,000	\$	5,248,000	\$	(2,826,800)	\$	(7,752,000
Savings (Costs) to Carrier:		\$	3,374,000	\$	4,000,000	\$	(3,925,200)	-	(4,000,000	
J ( 131)		•	\$	4,248,000	\$	9,248,000	\$	(6,752,000)		(11,752,000